

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

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In the Matter of:

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CC Docket No. 96-23

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Revision of

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Filing Requirements

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GTE'S COMMENTS

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## TABLE OF CONTENTS

	<u>PAGE</u>
SUMMARY .....	ii
1. BILLING AND COLLECTION CONTRACT REPORTS ARE NO LONGER NECESSARY IN TODAY'S COMPETITIVE ENVIRONMENT AND SHOULD BE ELIMINATED .....	1
2. CIRCUIT REPORTS ARE NO LONGER NEEDED ON A ROUTINE BASIS AND SHOULD BE ELIMINATED .....	2
3. REPORTING ON INSIDE WIRING SERVICES IS UNNECESSARY AND SHOULD BE ELIMINATED .....	3
4. THE FCC SHOULD ALLOW FOR CARRIER INPUT WITH REGARD TO CHANGES IN FORM AND CONTENT OF ARMIS REPORTING.....	3
5. THE NEW SERVICE TRACKING REPORT IS REDUNDANT AND SHOULD BE ELIMINATED.....	4
6. GTE SUPPORTS THE NPRM PROPOSAL TO REDUCE THE REPORT OF UNSECURED CREDIT TO ANNUAL REPORTING .....	7

## SUMMARY

The industry and the public have benefited from past actions of the Common Carrier Bureau (the "Bureau") eliminating unnecessary reporting requirements.<sup>1</sup> The Bureau's current proposals, if adopted, would further serve this purpose. GTE endorses these proposals and suggests other ways the FCC can improve its procedures by eliminating unnecessary reporting.

GTE further suggests the Bureau should undertake a more comprehensive review of its reporting requirements beyond those listed in the NPRM.

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<sup>1</sup> By Public Notice, FCC No. 55228 (August 10, 1995), the requirement to file the State Rate Case Report was eliminated, and the requirement to file the LEC Usage/Access Report was changed from a quarterly basis to an annual basis.

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**GTE'S COMMENTS**

GTE Service Corporation and its affiliated domestic telephone operating companies ("GTE") submit these comments in response to the FCC's Notice of Proposed Rulemaking ("NPRM"), FCC 96-64 (released February 27, 1996), requesting comments on the FCC's proposals to eliminate and modify certain reporting requirements.

**1. BILLING AND COLLECTION CONTRACT REPORTS ARE NO LONGER NECESSARY IN TODAY'S COMPETITIVE ENVIRONMENT AND SHOULD BE ELIMINATED.**

As a Local Exchange Carrier ("LEC" or "exchange carrier"), GTE has been required since 1987 to provide to the Commission a periodic report of all its billing and collection contracts executed, amended, or terminated. At the Bureau's invitation, GTE filed comments in June 1992 in support of the FCC's proposal to terminate this requirement.<sup>1</sup> GTE's position has not changed, and the rationale supporting its position is stronger than ever.

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<sup>1</sup> GTE filed comments June 26, 1992 in response to the Commission's invitation on whether to eliminate this requirement. See FCC Public Notice, DA 92-754 (released June 11, 1992)

The Commission deregulated billing and collection services in 1986 because the billing and collection market was found to be competitive. Competition for billing and collection has intensified since that time. Many Interexchange Carriers ("IXCs") provide their own billing and collection or rely on billing clearing houses. Competition and the FCC's complaint process serve as a natural check against discriminatory activities.

The NPRM notes (at paragraph 10) that the lists are seldom used by the FCC staff or the public. The very limited usefulness of the reports cannot justify the burdens imposed by the filing requirement. GTE urges elimination of the billing and collection contract reports.

**2. CIRCUIT REPORTS ARE NO LONGER NEEDED ON A ROUTINE BASIS AND SHOULD BE ELIMINATED.**

As a practical matter, the Commission has determined that it no longer needs to require non-dominant carriers to file semi-annual circuit reports on a routine basis.<sup>2</sup> The FCC states that this information can be obtained, if necessary, by exercising its general authority under Section 218 of the Communications Act that allows the Commission to obtain information in individual instances necessary to perform its regulatory responsibilities.

GTE agrees with this assessment and recommends elimination of the annual circuit reports, thereby reducing administrative burdens for all parties.

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<sup>2</sup> NPRM at paragraph 11. Section 63.07(b) of the Commission's rules requires semi-annual reports from non-dominant carriers that construct or acquire initial or additional circuits.

**3. REPORTING ON INSIDE WIRING SERVICES IS UNNECESSARY AND SHOULD BE ELIMINATED.**

The NPRM (at paragraph 14) seeks comment on eliminating the report on inside wiring services required for certain exchange carriers subject to the requirements of Section 43.41 of the rules. GTE is required to file this report for the state of Hawaii. The Commission established this report to receive information about regulations at the state level and their potential impact on the federal wiring policy. GTE suggests that the Commission should eliminate this reporting and rely on the identical solution proposed in its discussion of the elimination of the circuit report. Here again, Section 218 authority could be exercised by the Bureau should an individual circumstance arise warranting the Bureau to seek this information from an exchange carrier.

**4. THE FCC SHOULD ALLOW FOR CARRIER INPUT WITH REGARD TO CHANGES IN FORM AND CONTENT OF ARMIS REPORTING.**

The NPRM (at paragraph 15) requested comment on reducing the ARMIS Service Quality Report 43-05 from a quarterly basis to a semi-annual basis. Subsequently, the Bureau rescinded this proposal consistent with the revisions to ARMIS reporting requirements prescribed by the Telecommunications Act of 1996 ("1996 Act").<sup>3</sup> In addition, the order provided subject carriers necessary clarification of

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<sup>3</sup> FCC Order, CC Docket No. 96-23, Revision of Filing Requirements, DA 96-381 (released March 20, 1996).

the filing dates for the next quarterly report and for filing the annual ARMIS quality service report.<sup>4</sup>

The order also advised that the Bureau plans to provide further guidance at a later date on any changes to the form and content of the ARMIS quality of service report. GTE suggests that the FCC should make due allowance for carriers to provide recommendations on the form and content of the service quality report at that time.

**5. THE NEW SERVICE TRACKING REPORT IS REDUNDANT AND SHOULD BE ELIMINATED.**

As a LEC subject to price cap regulations, GTE files a quarterly new-service tracking report with the Commission. The Commission uses these reports to conduct studies to determine the reliability of price cap new-service projections, but the NPRM (at paragraph 18) states that it now believes this purpose can be accomplished by reducing the reporting frequency to an annual report.

Though the NPRM (*id.*) identifies a need for the continued filing of the new-services report in order to judge the reliability of a carrier's projections for the new services it introduces, GTE is not aware of any specific use of this information by the Commission staff, and suggests there is no need to continue its submission.

The vast majority of new access services developed by LECs are introduced in competitive markets and as a direct result of customer desires for new

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<sup>4</sup> The Order in CC Docket No. 96-23 (released March 20, 1996) established that the ARMIS service quality report due on March 31, 1996 should be filed on April 1, 1996 and that the annual ARMIS service quality report should be filed each year on April 1.

telecommunications solutions and functions. In most cases, customers already have alternative sources to provide these same services, or close substitutes, from a variety of carriers, including CAPs, IXCs, power utilities and cable television operators. Market reaction will determine whether a LEC is successful in designing and introducing a new product or service. As a result, exchange carriers will modify price levels or restructure new offerings, within the confines of existing price cap rules, if the market reacts unfavorably. There is no need for the Commission to take any action in response to a perceived failure of a LEC to achieve its original demand projections.

In addition, the submission of the new-services report, even on an annual basis, replicates the information already required to be submitted along with the annual access tariff filings. LECs are required to identify any new price cap service introduced in the base period in their annual filings and its assignment to a price cap basket and/or category. Using this information, the Commission staff can easily review actual demand results for the new service from the data submitted in the tariff review plan or workpapers. In addition to being unnecessary, the annual new-services reporting requirement, as proposed, is thus redundant.

Should the Commission not eliminate this report, GTE agrees with the NPRM (at paragraph 18) conclusion that an annual report would be as useful as a quarterly report; and would be less of an administrative burden to all parties. The Commission acknowledges an earlier proceeding that proposed to reduce the frequency with which Price Cap carriers must file certain reports regarding their offering of new interstate



services.<sup>5</sup> Annual filings were proposed, together with a sunset provision for the reporting requirement. In line with its comments then filed, GTE suggests:

A) Quarterly reports encompassing the first few quarters after introduction of a new service are of limited usefulness because service demand levels build gradually over time.

B) Initial levels reported in the earlier quarterly reports are rarely representative of a service's eventual "going level" of demand.

C) Since carrier demand forecasts are developed for a twelve-month period, an annual report of actual results on the same basis, would facilitate any forecast monitoring exercise and make it more meaningful.

D) The Commission's action in eliminating the net revenue test as part of the requirements for carrier introduction of new services under price cap regulations essentially renders quarterly reporting moot.

In addition to reducing the annual reporting requirement, the Commission's earlier proposal to establish a sunset provision for the reporting requirements should be reexamined. GTE suggests carrier reporting obligations could be reduced by eliminating the new-service report requirement after a service has been incorporated into price cap regulation. Little benefit is derived from reporting the same service demand data in both the Tariff Review Plan ("TRP") and new-service filings. Since the annual carrier TRP filing includes service demand data, carrier reporting obligations

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<sup>5</sup> See New Service Reporting Requirements under Price Cap Regulations, CC Docket No. 92-275, 8 FCC Rcd 438 (1992).

should cease at that time, thereby reducing a carrier's annual new-service reporting obligation from three reports to two.

**6. GTE SUPPORTS THE NPRM PROPOSAL TO REDUCE THE REPORT OF UNSECURED CREDIT TO ANNUAL REPORTING.**


The Bureau proposes to reduce current semi-annual reporting of unsecured credit granted to political candidates to annual reporting. GTE supports the Bureau proposal to reduce the frequency of filing this report -- assuming it can be shown that there is any real requirement for its continuation.

Respectfully submitted,

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